CITY OF MINNEAPOLIS

and

MINNEAPOLIS BUILDING AND CONSTRUCTION TRADES COUNCIL, AFL-CIO, TRADES UNIT

MEMORANDUM OF UNDERSTANDING Employer Contribution to Twin City Pipe Trades Pension Trust

WHEREAS, the City of Minneapolis (the "Employer") and the Minneapolis Building and Construction Trades Council, AFL-CIO (the "union") are Parties to a collective bargaining agreement (the "Agreement") which took effect on May 1, 2005 and which remains in effect through April 30, 2008; and

WHEREAS, Minnesota Statues Section 356.24, Subdivision 1(9), expressly authorizes the Employer to contribute public funds to certain national and local pension funds maintained by plumbers and pipe fitters as a supplemental pension to the coverage received by the Public Employees Retirement Association ("PERA") as long as its employees are covered by a collective bargaining agreement providing for such coverage and the Employer's contribution does not exceed \$5,000 per employee per year; and

WHEREAS, employees in the classifications of Plumber, Plumber/Welder, Foreman/Plumber, Foreman Plumber/Welder, Foreman/Plumber Master in Charge, Pipefitter, Pipefitter/Instrumentation, Foreman Pipefitter and Foreman Pipefitter/Instrumentation are eligible to participate as members of the Twin City Pipe Trades Pension Trust, the local Plumbers and Pipe Fitters local pension fund, and wish to amend their collective bargaining agreement with Employer to authorize such coverage; and,

WHEREAS, the parties agree to abide by the terms and conditions of the Restated Pension Plan of the Twin City Pipe Trades Pension Trust, Restated Effective May 1, 2001, and,

WHEREAS, the employees in the aforementioned classification's which the Union represents wish to voluntarily reduce their wages and salary to the extent it funds a supplemental pension contribution to the Twin City Pipe Trades Pension Trust.

THEREFORE, the Parties agree to amend the Agreement as follows:

- 1. Commencing the first pay period after the execution of this MEMORANDUM OF UNDERSTANDING and monthly thereafter, the Employer shall, for each journeyman employee in the specific classifications of Plumber, Plumber/Welder, Foreman/Plumber, Foreman/Plumber Welder, Foreman/Plumber Master in Charge, Pipefitter, Pipefitter/Instrumentation, Foreman/Pipefitter and Foreman/Pipefitter Instrumentation contribute as a supplemental pension contribution to the Twin City Pipe Trades Pension Trust \$2.33 for each straight time hour paid to a maximum of 2080 hours per year. These contributions shall otherwise be made by the Employer consistent with the terms and conditions of the Restated Pension Plan of the Twin City Pipe Trades Pension Trust. The parties specifically agree that no additional employees, other than those employees in the specific classification's of Plumber, Plumber/Welder, Foreman/Plumber,
 Foreman/Plumber Welder, Foreman/Plumber Master in Charge, Pipefitter, Pipefitter/Instrumentation,
 Foreman/Pipefitter and Foreman/Pipefitter Instrumentation are eligible pursuant to this
 MEMORANDUM OF UNDERSTANDING to contribute as a supplemental pension contribution to the Twin City Pipe Trades Pension Trust.
- 2.a. The Union, as the Employees' representative, voluntarily agrees that the amount otherwise payable in salary or wages under the Agreement be reduced by the amount of the supplemental pension contribution referenced in Paragraph 1. In this regard, effective August 10th, 2007, Appendix "A" of the Agreement is amended as follows:

OTC	CODE	CLASSIFICATION	1 st Step	2nd Step	3rd Step
2	08030C	Plumber	\$32.38	-	
2	08010C	Plumber/Welder	\$32.38		
2	04840C	Foreman, Plumber	\$34.29	\$34.66	\$35.03
2	04860C	Foreman, Plumber/ Welder	\$34.29	\$34.66	\$35.03
2	04850C	Foreman, Plumber Master in Charge	\$35.31	\$35.69	\$36.07

2.b. The Union, as the Employees' representative, voluntarily agrees that the amount otherwise payable in salary or wages under the Agreement be reduced by the amount of the supplemental pension contribution referenced in Paragraph 1. In this regard, effective August 10, 2007, Appendix "A" of the Agreement is amended as follows:

OTO	C CODE	CLASSIFICATION	1st	2nd	3rd
			Step	Step	Step
2	07780C	Pipefitter	\$33.13	3	
2	07770C	Pipefitter/Instrumentation	\$33.13		
2	04830C	Foreman, Pipefitter			9 \$35.78
2	04832C	Foreman, Pipefitter/	\$35.02	2 \$35.3	9 \$35.78
		Instrumentation			

- The Union agrees to indemnify, defend and hold the Employer, its officers, agents and employees harmless against any and all claims, suits, orders or judgments brought or issued against the Employer, its officers, agents and employees as a result of any action taken or not taken in reliance on the specific provision of this Memorandum of Understanding. This hold harmless clause does not hold the Employer harmless for failing to electronically transfer the agreed upon contributions.
- The Parties intend that the contributions authorized in Paragraph 1 represent a voluntary 4. contribution by employees to a supplemental pension plan to the extent authorized and allowed by applicable federal and state law. The contribution in Paragraph 1 shall be restored to salary or wages for purposes of determining vacation, sick leave, severance, and other benefits under the Agreement, as well as restored to salary for purposes of determining retirement benefits, and contributions to the Public Employee Retirement Association (PERA). For purposes of determining future wages, the Employer shall first restore the amount of the wage reduction in Paragraph 1, then apply the applicable wage multiplier, and then reduce the revised wage.

NOW, THEREFORE, the Parties have caused this Memorandum of Understanding to be executed by their duly authorized representatives whose signatures appear below:

> MINNEAPOLIS BUILDING AND CONSTRUCTION TRADES

COUNCIL AFL-CIO

CITY OF MINNEAPOLIS

Timothy O. Giles

Director, Employee Services

David Ybarra

Business Manager

Minneapolis Building Trades

Bob Hansen

Business Manager

Plumbers Local #15

Mike Johnson Russ Scherer Date

Business Manager

Pipefitters Local #539